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RUEHKA/AMEMBASSY DHAKA PRIORITY 1858  
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RUEHLO/AMEMBASSY LONDON PRIORITY 5856  
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2162  
RUEHCI/AMCONSUL KOLKATA PRIORITY 3984  
RHMFISS/CDR USPACOM HONOLULU HI PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY  
RHEFDIA/DIA WASHDC PRIORITY  
RHEHNSC/NSC WASHDC PRIORITY  
RUEKJCS/SECDEF WASHDC PRIORITY  
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S E C R E T SECTION 01 OF 03 KATHMANDU 000083

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TAGS: [PREL](#) [PGOV](#) [PINR](#) [NP](#)

SUBJECT: NEPAL: PRIME MINISTER KOIRALA EXPANDS CABINET

REF: KATHMANDU 39

Classified By: DCM Randy W. Berry. Reasons 1.4 (b/d).

Summary

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¶1. (C) On January 10, Prime Minister G.P. Koirala expanded his cabinet by eight ministers drawn from the Nepali Congress Party (NC), the Communist Party of Nepal - United Marxist Leninist (UML), and the Maoists. Koirala appointed his controversial daughter Sujata as Minister Without Portfolio. The Prime Minister kept Home Minister Sitaula in place but appointed a Madhesi as Sitaula's deputy.

Koirala Expands Cabinet

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¶2. (U) On January 10, Prime Minister G.P. Koirala inducted two full ministers and five state ministers into his cabinet.

He also promoted one state minister to the post of full minister in the cabinet. Four of the new ministers are from the Nepali Congress Party (NC). One new minister and the promoted minister are from the Communist Party of Nepal - United Marxist Leninist (UML). Two are from the Communist Party of Nepal (Maoist). Two are Madhesi. With the additions, the cabinet consists of 31 members.

Portfolios of New Ministers

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¶3. (U) The portfolios of the new ministers are as follows:

-- Ram Chandra Yadav- Minister for General Administration (UML)

-- Sujata Koirala- Minister Without Portfolio (NC)

-- Farmullah Mansoor- Minister for Environment, Science and Technology (NC)

-- Ram Kumar Chaudhary- State Minister for Home Affairs (NC)

-- Mahalaxmi Aryal Upadhyaya- State Minister for Water Resources (NC)

-- Nagendra Chaudhary- State Minister for Agriculture and Cooperatives (UML)

-- Padam Bahadur Rai- State Minister for Physical Planning and Works (Maoist)

-- Nabin Kumar Bishwokarma- State Minister for Local Development (Maoist)

Ram Chandra Yadav, Minister of General Administration

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¶4. (U) Ram Chandra Yadav was promoted to Minister of General Administration. He has served in the interim cabinet of G.P. Koirala since April 1, 2007 as a state minister with the same portfolio. Yadav was elected to Parliament from Siraha District on the UML ticket in 1999. He was a member of the Communist Party of Nepal (Manandhar) before joining the UML in 1992. Yadav was born on October 22, 1961 in Siraha District and is a high school graduate with a specialty in science. He is married and has three sons and two daughters. Yadav is a Madhesi from the Terai. He does not speak English.

Sujata Koirala, Minister Without Portfolio

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¶5. (C) Sujata Koirala, daughter and only child of Prime Minister G.P. Koirala, received her first cabinet appointment as Minister Without Portfolio and is to oversee the Prime Minister's Office and Cabinet Secretariat. She is a

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nominated member of the Interim Parliament. Koirala's temper, open support for the monarchy, and alleged corruption have made her a controversial figure. Koirala was elected to the Central Committee of the NC in September 2005. She was appointed Chief of the Foreign Affairs Department of the party in October 2005. She is the founding President of Sushma Koirala Memorial Trust, a non-governmental organization established in the name of her late mother. Sujata Koirala was born on September 25, 1954 in Biratnagar, Morang District. She studied textile design in New Delhi, India. Koirala is separated from her German husband, who lives in Germany. She has a son and a daughter. Her daughter is married to a Bangladeshi.

Farmullah Mansoor, Minister of Environment, Science and Technology

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¶6. (U) Farmullah Mansoor was appointed Minister of Environment, Science and Technology. He replaces Mahanta Thakur, who quit the cabinet, Parliament, and NC in December to form the Terai-Madhes Democratic Party. Mansoor was elected to Parliament from Bara District on the NC ticket in the mid-term polls of 1994 and in the general election of ¶1999. Mansoor began his political career in 1971 with the NC. He served a two-year jail sentence on political grounds during the Panchayat regime. Mansoor was born on December 5, 1954 in Bara District. He completed high school. Mansoor, a Muslim, is unmarried.

Ram Kumar Chaudhari, State Minister of Home Affairs

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¶7. (U) Ram Kumar Chaudhari, State Minister for Home Affairs, is an NC member of Parliament of Madhesi origin. He was elected for the first time in 1999 from Saptari District. Chaudhari previously served as District President of the NC. He started his political career in 1972 as a student leader and later served a three-year jail sentence on political grounds during the Panchayat regime. Chaudhari was born in 1975 in Saptari District. He holds a Master's degree in Arts from Tribhuvan University. He is married and has two sons

and a daughter.

Mahalaxmi Aryal Upadhyaya, State Minister of Water Resources

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¶18. (U) State Minister of Water Resources Mahalaxmi Aryal Upadhyaya is a women's rights activist who aligned with the Democratic (Deuba) offshoot of the NC during the 2002-07 party split. Upadhyaya, a former Makwanpur District President of the Nepal Women Organization (1989), was nominated to the National Women Commission in 2002. She ran for Parliament from Makwanpur District in 1999 but was defeated by a UML candidate. She is not a member of the Interim Parliament. Upadhyaya, a Brahmin, is married.

Nagendra Chaudhary, State Minister for Agriculture and Cooperatives

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¶19. (U) Nagendra Chaudhary, State Minister for Agriculture and Cooperatives, is not a member of the Interim Parliament. He lost his bids for Parliament on the UML ticket in both the 1991 and 1999 elections. Currently a central party official of the UML, Chaudhary was a District Deputy Secretary of the party in 1993-1995. Chaudhary was born in 1962 in Parsa District and completed secondary school. He comes from the Tharu ethnic community. He does not speak English.

Padam Bahadur Rai, State Minister of Physical Planning and Works

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¶10. (U) Padam Bahadur Rai, first-time State Minister of Physical Planning and Works, is a district level Maoist leader of Bhojpur District. The Maoist party nominated him

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to the Interim Parliament in January 2007. He reports to Minister of Physical Planning and Works Hisila Yami, the wife of deputy Maoist chief Baburam Bhattarai. Rai belongs to the Kiranti ethnic community.

Nabin Kumar Bishwokarma, State Minister for Local Development

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¶11. (U) Nabin Kumar Bishwokarma is the State Minister for Local Development, deputy to Minister Dev Gurung, a senior Maoist leader. Bishwokarma is a member of the Maoists' Karnali Regional Bureau in far-western Nepal and the District Party In-Charge (local chief) of Mugu District. He is a Dalit.

Comment

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¶12. (S) During a meeting January 9 with the Ambassador, Prime Minister Koirala repeatedly asked the Ambassador if he should replace Home Minister Krishna Sitaula (Reftel). The talk in Kathmandu was that he intended to appoint a Madhesi in Sitaula's place. The Prime Minister ultimately decided not to sack Sitaula, probably under direct pressure from the Indians, and instead gave him a new Madhesi deputy, Ram Kumar Chaudhari. Sujata Koirala told Emboff at the time of the cabinet expansion that State Minister Chaudhari would be given authority that effectively rendered Minister Sitaula -- much maligned for his ineffective handling of the security situation in the Terai and alleged closeness to the Maoists -- a mere figurehead. We are skeptical. Even with Sujata pulling strings in the Prime Minister's Office from her new chair, Sitaula will be hard to circumvent. Nevertheless, the appointment of a Madhesi as State Home Minister should help improve ethnic tensions in the Terai. The bigger controversy, even within the PM's Nepali Congress, has been the appointment of Sujata Koirala. Her public comments after her swearing in about the need to preserve the monarchy have only added fuel to the fire.

